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SUNAC CHINA HOLDINGS LIMITED

融創中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1918)

MAJOR TRANSACTION ACQUISITION OF FURTHER SHARES IN JINKE PROPERTY

THE ACQUISITION

Reference is made to the Company's announcement dated 21 September 2016 in relation to the subscription of shares in Jinke Property (a company listed on the Shenzhen Stock Exchange under stock code 000656) by the Group.

The Board announces that during the period from 11 November 2016 to 24 January 2017, the Group further acquired an aggregate of 329,862,211 Jinke Shares at the open market, representing approximately 6.17% of the total issued shares of Jinke Property as at the date of this announcement, at the total consideration of approximately RMB1,723,421,192.05.

After the Acquisition and taking into account the Subscription, the Company will indirectly hold a total of 1,236,891,689 Jinke Shares, representing approximately 23.15% of the total issued shares of Jinke Property as at the date of this announcement. The total consideration payable by the Group for such Jinke Shares amounted to approximately RMB5,723,421,190.03.

LISTING RULES IMPLICATIONS

By virtue of Rule 14.22 of the Listing Rules, the Acquisition and the Subscription are aggregated for the purpose of Chapter 14 of the Listing Rules as these transactions involve the acquisition of equity interest in the same entity (that is, Jinke Property) completed within 12 months. As one or more of the applicable percentage ratios in respect of the Acquisition and the Subscription, after aggregation, are more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

The Company has obtained the written approval from Sunac International, the controlling shareholder of the Company holding approximately 52.89% of the total issued Shares of the Company as at the date of this announcement, for approving the Acquisition pursuant to Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the Acquisition; (ii) financial information of the Group; and (iii) financial information of Jinke Property, shall be dispatched within 15 business days after publication of this announcement for the Shareholders' information. As additional time is required to prepare the financial information to be included in the circular, the Company will apply for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules from the Stock Exchange so that the despatch date of the circular can be postponed to a date more than 15 business days after publication of this announcement, which is expected to be on or before 30 April 2017.

THE ACQUISITION

Reference is made to the Company's announcement dated 21 September 2016 in relation to the Subscription.

The Board announces that during the period from 11 November 2016 to 24 January 2017, the Group further acquired an aggregate of 329,862,211 Jinke Shares through the open market, representing approximately 6.17% of the total issued shares of Jinke Property as at the date of this announcement, at the total consideration of approximately RMB1,723,421,192.05. The consideration for the Acquisition had been settled by the internal resources of the Group.

After the Acquisition and taking into account the Subscription, the Company will indirectly hold a total of 1,236,891,689 Jinke Shares, representing approximately 23.15% of the total issued shares of Jinke Property as at the date of this announcement. The total consideration payable by the Group for such Jinke Shares amounted to approximately RMB5,723,421,190.03.

Jinke Property will remain as an associate of the Company after the Acquisition.

As the Acquisition was made through the open market, the Company is unable to identify the market vendors. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the market vendors are independent of the Company and connected persons of the Company.

INFORMATION ON JINKE PROPERTY

Jinke Property has been listed on the Shenzhen Stock Exchange (stock code: 000656) since 1996 and is a diversified comprehensive enterprise focusing on real estate development. The real estate projects of Jinke Property are mainly located across three major regions in the PRC, namely central and western China, Yangtze River Delta and Bohai Rim, covering cities such as Beijing, Chongqing, Chengdu, Xi'an, Qingdao, Jinan, Changsha, Hefei and Zhengzhou. Based on publicly available information, Jinke Property currently has about 75 real estate projects under construction, and its land reserves available for construction exceed 17 million sq.m..

Based on publicly available information, the unaudited consolidated total net asset of Jinke Property as at 30 September 2016 was approximately RMB21,634,423,000, and the audited net profits of Jinke Property for the two financial years ended 31 December 2015 were as follows:

	For the year ended 31 December 2014 (approximate RMB'000)	For the year ended 31 December 2015 (approximate RMB'000)
Net profit before taxation	753,433.77	1,784,680.15
Net profit after taxation	863,039.06	1,233,646.81

REASONS FOR THE ACQUISITION

Jinke Property is engaged in real estate development in the main core second-tier cities in the PRC with high quality land reserve. The Company is optimistic about the future prospects of Jinke Property and believes that the investment will bring good investment returns to the Company.

Given that the Acquisition is made through the open market at the then prevailing market prices, the Directors (including the independent non-executive Directors) consider that the Acquisition is made on normal commercial terms which are fair and reasonable and is in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE COMPANY

The Company is a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange. As specialized in integrated development of residential and commercial properties, the Company is one of the leading real estate developers in the PRC. In line with its regional focus and high-end positioning strategy, the Company has developed or is developing many high-quality property projects ranging from high-rise residences, detached villas, retail properties and offices in the first-tier cities and core second-tier cities in the PRC.

LISTING RULES IMPLICATIONS

The Acquisition, on a standalone basis, constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules as one or more of the applicable percentage ratios in respect of the Acquisition are more than 5% but less than 25%. By virtue of Rule 14.22 of the Listing Rules, the Acquisition and the Subscription are aggregated for the purpose of Chapter 14 of the Listing Rules as these transactions involve the acquisition of equity interest in the same entity (that is, Jinke Property) completed within 12 months. As one or more of the applicable percentage ratios in respect of the Acquisition and the Subscription, after aggregation, are more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDER'S APPROVAL

Pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, written shareholder's approval for the Acquisition has been obtained from the controlling shareholder of the Company, namely Sunac International, who held 2,042,623,884 Shares, representing approximately 52.89% of the issued share capital of the Company as at the date of this announcement. To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, none of the Shareholders has any material interest in the Acquisition and therefore no shareholder is required to abstain from voting if the Company were to convene an extraordinary general meeting for the approval of the Acquisition.

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the Acquisition; (ii) financial information of the Group; and (iii) financial information of Jinke Property, shall be dispatched within 15 business days after publication of this announcement for the Shareholders' information. As additional time is required to prepare the financial information to be included in the circular, the Company will apply for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules from the Stock Exchange so that the despatch date of the circular can be postponed to a date more than 15 business days after publication of this announcement, which is expected to be on or before 30 April 2017.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Acquisition”	the acquisition of an aggregate of 329,826,211 Jinke Shares by the indirect wholly-owned subsidiaries of the Company (namely, Runze Property and Runding Property) through the open market from 11 November 2016 to 24 January 2017
“Board”	the board of Directors
“Company”	Sunac China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1918)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jinke Property”	Jinke Property Group Co., Ltd.* (金科地產集團股份有限公司)
“Jinke Shares”	the shares in the share capital of Jinke Property
“Jujin Property”	Tianjin Jujin Property Management Ltd.* (天津聚金物業管理有限公司), an indirect wholly-owned subsidiary of the Company established in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

“Runding Property”	Tianjin Runding Property Management Ltd.* (天津潤鼎物業管理有限公司), an indirect wholly-owned subsidiary of the Company established in the PRC
“Runze Property”	Tianjin Runze Property Management Ltd.* (天津潤澤物業管理有限公司), an indirect wholly-owned subsidiary of the Company established in the PRC
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of 907,029,478 Jinke Shares by Jujin Property, details of which are set out in the Company’s announcement dated 21 September 2016
“Sunac International”	Sunac International Investment Holdings Ltd., a company incorporated in the British Virgin Islands with limited liability, which is the controlling shareholder of the Company holding approximately 52.89% of the total issued Shares of the Company as at the date of this announcement
“%”	per cent.

* *for identification purposes only*

By order of the Board
SUNAC CHINA HOLDINGS LIMITED
SUN Hongbin
Chairman

Hong Kong, 24 January 2017

As at the date of this announcement, the executive Directors are Mr. SUN Hongbin, Mr. WANG Mengde, Mr. JING Hong, Mr. CHI Xun, Mr. TIAN Qiang, Mr. SHANG Yu, Mr. HUANG Shuping and Mr. LI Shaozhong; and the independent non-executive Directors are Mr. POON Chiu Kwok, Mr. ZHU Jia, Mr. LI Qin, Mr. MA Lishan and Mr. TSE Chi Wai.